Official Transcript of Proceedings NUCLEAR REGULATORY COMMISSION

Title: Entergy Nuclear Vermont Yankee

Vermont Yankee Nuclear Power Station

Docket Number: 50-271-LA

ASLBP Number: 15-934-01-LA-BD01

Location: teleconference

Date: Monday, December 1, 2014

Work Order No.: NRC-1248 Pages 11-98

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1	UNITED STATES OF AMERICA
2	NUCLEAR REGULATORY COMMISSION
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4	ATOMIC SAFETY AND LICENSING BOARD PANEL
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6	HEARING
7	x
8	In the Matter of: : Docket No.
9	ENTERGY NUCLEAR VERMONT : 50-271-LA
10	YANKEE, LLC, AND : ASLBP No.
11	ENTERGY NUCLEAR : 15-934-01-LA-BD01
12	OPERATIONS, INC. :
13	(Vermont Yankee Nuclear :
14	Power Station) :
15	x
16	Monday, December 1, 2014
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18	Teleconference
19	
20	BEFORE:
21	E. ROY HAWKENS, Chairman
22	DR. MICHAEL F. KENNEDY, Administrative Judge
23	DR. RICHARD E. WARDWELL, Administrative Judge
24	
25	

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1	PROCEEDINGS
2	3:07 p.m.
3	CHAIR HAWKENS: My name is Roy Hawkens. I'm
4	the Licensing Board Chairman in this case which is
5	entitled Entergy Nuclear Vermont Yankee LLC, and
6	Entergy Nuclear Operations, Incorporated, Docket
7	Number 50-271-LA.
8	I'm at the headquarters, Rockville
9	Headquarters, and joined by my fellow Board Members,
10	Dr. Mike Kennedy and Dr. Rich Wardwell. Also joined by
11	the Board's law clerk, Nicole Pepperl.
12	Would counsel for the parties please
13	introduce themselves for the record? Let's start with
14	Vermont.
15	MR. KISICKI: Aaron Kisicki on behalf of
16	the Department of Public Service representing the
17	State of Vermont.
18	CHAIR HAWKENS: Thank you. Entergy?
19	MS. RAIMO: Susan Raimo on behalf of
20	Entergy.
21	CHAIR HAWKENS: Thank you. NRC Staff.
22	MS. MIZUNO: Beth Mizuno and Jeremy
23	Wachutka for the NRC Staff.
24	CHAIR HAWKENS: Thank you very much.
25	As stated in this Board's order of
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November 12th, we're conducting a telephonic oral argument on whether Vermont's hearing request should be granted. In that order we provided a list of six topics that we asked the parties to be prepared to include in their presentations. Those topics were not exclusive, but they were topics which are of a particular interest to the Board Members.

They consisted of, one, the timeliness of Vermont's petition. Two, the regulatory meaning of shutdown permanently. Three, the purpose and plain language of 10 CFR Part 50, Appendix E. Four, the status of the ERDS at facilities shut down after 1991. Five, the interaction between 10 CFR Section 50.54(q)(3) and Appendix E. And six, the regulatory responsibility for evaluating the interface between licensees and state and local governments, and for reviewing whether state and local emergency plans are adequate and capable of being implemented.

During the oral argument we'll be hearing from Vermont first. It's been allotted 60 minutes of argument time and may reserve up to 15 minutes for rebuttal. Entergy and the NRC Staff will follow. Each has been allotted 30 minutes of argument time.

Mr. Kisicki, you may step up to the podium now and do you wish to reserve any time for rebuttal?

1 MR. KISICKI: I would, Mr. Chairman. I'd 2 like to reserve 15 minutes for rebuttal, if I may. CHAIR HAWKENS: All right. Why don't you 3 4 proceed with your argument then, Mr. Kisicki? MR. KISICKI: Thank you. Good afternoon, 5 Mr. Chairman and Doctors. My name is Aaron Kisicki on 6 7 behalf of the State of Vermont. I think the State's 8 argument is fairly straightforward. 9 Entergy has petitioned the Board 10 approve discontinuance of the Vermont Yankee Power Emergency Response 11 Station Data System or ERDS connection as part of the pending license amendment 12 request or LAR reducing staff level at the plant upon 13 14 reactor shutdown. 15 10 CFR Section 50.54(q)(3) requires that 16 Entergy conduct an analysis demonstrating that any 17 changes to the VY emergency plan will not reduce the effectiveness of the plant. ERDS is specifically 18 19 mentioned as part of the VY emergency plan and the Vermont Radiological Emergency Response Plan or RERP. 20 Entergy has failed to conduct any analysis 21 demonstrating that no reduction in the effectiveness 22 the VY emergency plan will result from the 23 24 discontinuance of ERDS in violation of

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50.54(q)(3).

Vermont is concerned with the impact of effectiveness discontinuance on the of the VY emergency plan, the State RERP, and ultimately the public health and safety of its citizens. Therefore, the State requests that the Board accept contention that the Board conduct an in-depth inquiry to consider two questions related to the pending LAR.

First, whether Entergy should be required to conduct an analysis pursuant to Section 50.54(q)(3) showing no decrease in the Vermont emergency plan's effectiveness without ERDS before the LAR is ruled upon. And second, if the Board determines such an analysis is not required, should the LAR be rejected because the loss of ERDS will decrease t.he of Vermont Yankee effectiveness the and State emergency plans, and the State's ability to protect public health and safety in the event of an accident at the facility.

I think before we move into the substance of our discussion, I think it's appropriate and I believe it's a threshold issue of the timeliness of the Vermont Yankee petition that was filed on September 22nd of this year.

As I think everybody is aware, there's some discussion about whether or not the State of

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Vermont's petition was filed in a timely fashion. In short, the petition was filed in a timely fashion with the NRC by December 22nd in a manner that enabled the NRC to receive, read, authenticate, distribute, and archive the submission.

Entergy was on notice that the petition was to be filed and made no objection upon the receipt of the filing shortly thereafter.

CHAIR HAWKENS: Mr. Kisicki, this is Judge Hawkens. We read in your reply brief that you had been in discussions with Entergy before this filing deadline came, and that your discussions led you, perhaps, to believe that you might be able to avoid filing a petition. Is that correct?

MR. That is KISICKI: correct, Mr. Chairman. At the time leading up to our filing of the petition, the State of Vermont had actively been engaged with discussions and negotiations with Entergy on a variety of subjects, including the issue of emergency response preparedness. And it has been negotiating in good faith with Entergy for a good number of weeks, if not months, and there was a strong belief on the part of the State that all these issues would be resolved via negotiations prior to having to have a petition filed. That ultimately ended up not

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1 being the case, unfortunately. 2 CHAIR HAWKENS: When did you come to the 3 conclusion that you were not going to be able to reach 4 an agreeable settlement? 5 MR. KISICKI: As far as I understand, there 6 are many parties engaged in the discussions with 7 Entergy at that point. I think it was late in the week 8 prior to December 22nd. I think it was somewhere 9 around December 18th or 19th was about the approximate date when the State realized at that time that a 10 filing would need to take place. 11 It's also my understanding that there was 12 some effort to continue negotiations over the weekend 13 14 prior to the Monday filing deadline involved. CHAIR HAWKENS: All right, thank you. 15 16 JUDGE WARDWELL: Yes, this Judge 17 Wardwell. Just one follow-up question on that. To your knowledge, are those negotiations still taking place, 18 19 or have they completely been cut off? MR. KISICKI: The negotiations are ongoing 20 with Entergy involving a variety of issues, including 21 this issue that we're speaking about today. I can't 22 23 status of those negotiations. speak to the 24 personally am not the one that's involved in those, but I do know, and I can represent on behalf of the 25

1 State that those negotiations are ongoing. JUDGE WARDWELL: Thank you. 2 CHAIR HAWKENS: The Board has heard enough 3 4 about the timeliness issue, Mr. Kisicki, if you want 5 to move on to the next issue. MR. KISICKI: Thank you. I think the next 6 7 issue that we'd like to address is the regulatory 8 meaning of the term "shut down permanently" 9 purposes of Appendix E and Part 50. I'm sorry, it's 10 Part E -- Part 50, Appendix E. I apologize. With respect to Subsection 4 that speaks 11 about shut down permanently for the exceptions of the 12 ERDS requirement, the State would advance the argument 13 14 that in the context of Appendix E, a shut down 15 facility for the purposes of ERDS would mean that a 16 shut down facility is one where the monitoring of all 17 the ERDS parameters are no longer necessary. In other words, at the point where the plant is at a state 18 19 where none of the information that could be gleaned from ERDS being operated in the event of an accident, 20 then for the purposes of Section 4, the facility would 21 22 be shut down permanently. Until that time, as is the case here with 23 24 Vermont Yankee there's still many ERDS parameters that

could be useful not only on the State's emergency

plans, but is also clearly enumerated in the Vermont Yankee emergency plan that indicates that ERDS provides a critical information point not only in the event of a reactor accident, but also a number of accident scenarios that include problems with the cooling pool, and a number of other scenarios that were analyzed under the emergency plan LAR submission.

I think more to the point on a more broader level, you know, if a facility were to be put in a state where it can longer produce electricity, commercially produce electricity that might be a broader definition, but for here, our purpose for discussion here I think that we can have a much more narrow definition, and that is that if the ERDS parameters don't make any sense, then they don't need it any more, and the plant would be shut down permanently. Here that's not the case.

CHAIR HAWKENS: Mr. Kisicki, Judge Hawkens here. I just -- I want to make sure I understand your view of the term "permanently shut down." Am I correct that you view it as it would be a permanent cessation of reactor operations, a representation that there would no longer be any fuel put in the reactor again, and a removal of all spent fuel from the site? All those conditions would give rise then to satisfying a

permanent shut down definition?

MR. KISICKI: I think I would disagree with you on all three points, but for different reasons. I think first and foremost, I think the permanently shut down language that's in the ERDS exemption speaks to permanently shut down facilities, not necessarily reactors. In this case we have -- we'll soon have a facility where there's no longer fuel or operation of the reactor; however, we have a number of critical components including the spent fuel pool, cooling associated with it, and a number of electrical passings are going on for security purposes. The plant is still operational even though it's not producing electricity.

I don't think we need to also -- we don't need to draw the line with removal of all the spent fuel off site. I guess I'd have to ask a clarifying question, when you say removal of spent fuel off site, do you mean removal from the fuel pool to the ISFSI pad off site or removal of the spent fuel from the ISFSI pad off site to a permanent storage facility?

CHAIR HAWKENS: Let me turn that question right back to you. I'm looking for your view of the term "permanent shut down."

MR. KISICKI: Sure. I think the facility

would be permanently shut down in the event that all of the cooling operations for the fuel pool can be shut down and this will mean the removal of all the spent fuel from the fuel pool into the ISFSI pad off site. At that point, the facility would no longer be operating in any capacity. There would be no need for ERDS data because there would be no risk of an accident involving spent fuel inside the facility itself.

There is, I think, a slight risk of there being a dry cask accident on the ISFSI after the fuel has been removed from the spent fuel on the ISFSI pad, but in that instance I don't see necessarily a lot of the ERDS parameters being applicable just off the top of my head. However, I think if we were to brief the issue we may be able to answer that with a little more specificity.

CHAIR HAWKENS: And can you provide any support in Appendix E for your view of that term, "permanently shut down" term?

MR. KISICKI: Sure. Appendix E, Section 4, Subsection 2 it reads: "Except for Big Rock Point and all nuclear power facilities, not reactors that are shut down, on site hardware will be provided at each unit until the license are interfaced with -- each

unit by the licensee to interface with the NRC siting.

The exemption language speaks about shut down facilities, not necessarily reactors. I think the exemption applies through a broader range of activities at a plant above and beyond just reactors operation.

CHAIR HAWKENS: All right.

MR. KISICKI: Moving on, you can take a closer look at the purpose and the plain meaning of Appendix E in that plain language, is that really it's designed -- it speaks to the development of an ERDS systems at the operating plants at the time of the promulgation of that language in 1991.

Section 4 is both descriptive and perspective. It speaks to what operating facilities must do in 1991, that is the provision of ERDS hardware and software, not necessarily the operation of it. Appendix E's assignment is to continue to operate ERDS once the plant is -- it's silent to continued ERDS use once a plant operating in 1991 shuts down. It's not necessarily prescriptive.

I think both Entergy and the NRC Staff argue, and I think argue erroneously, that somehow because -- that somehow there's a prescriptive tone to the plain language of Appendix E that somehow because

-- if you interpret it in a way that says that ERDS use is not required once a facility is shut down, even if you interpret it to encompass very broadly that it would apply to this situation, even then it's not prescriptive. It doesn't say you must shut down ERDS. You must not operate ERDS. It just releases the obligation of a plant to continue ERDS use.

Again, Subsection 4, Sub 2, the exception applies to the provision of hardware, not necessarily the operation or the use of ERDS. And that exception makes sense when you look at it contextually at the time that the exception was written. It makes no sense for a plant to implement a system that wouldn't likely be used or derive any benefit to incur the kinds of costs that you would have to spend to implement the system there. But here that doesn't necessarily translate into a blanket just use of once the plant is implemented -- that it implements it, it shuts down, particularly in a case such as the one here where the emergency plan specifically references ERDS use as part of its emergency plan, the VY plan does that, and the State emergency plan.

CHAIR HAWKENS: Mr. Kisicki, this is Judge Hawkens.

MR. KISICKI: Sure.

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CHAIR HAWKENS: How do you reconcile your argument with the stated goal in the final rule, and the stated purpose of Appendix E, Part 6 in the final rule? For example, it says, "The objective of the final rule is to insure timely and effective implementation of ERDS to provide NRC increased assurance that a reliable and effective communication system is in place at operating power reactors."

MR. KISICKI: Again, I would reconcile it by saying even if you were to read that language to mean that ERDS systems are only applicable at plants that are actually operating and the reactors are actually operating, I don't think that's the lens under which this Board should evaluate whether or not we should have a hearing.

The State's contention revolves around whether or not Entergy has provided sufficient analysis under 50.54 that analyzes whether or not ERDS discontinuance doesn't reduce the emergency plan's effectiveness.

Here the emergency plan effectiveness clearly is impacted by the loss of ERDS. There is no less than five unique emergency situations that are analyzed and are modified to go out to ERDS in the emergency -- in the LAR that's been presented to you.

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Those include scenarios that talk about ground assault security threats, fuel handling accidents, aircraft potential threat, control room evacuation, and spent fuel pool -- I'm sorry, spent fuel pool cooling, and general emergency with a radioactive release and protective action recommendations.

The bottom line is that the NRC understood that there was a high value and safety value in implementing ERDS back in 1991 relative to the costs involved. Even though the reactor still isn't running now, there are viable action scenarios that have been analyzed under the emergency plan here, and in all of those scenarios Entergy simply says that ERDS will no longer be applicable to respond to those types of accidents. That's at odds with what the overall plan says, the Entergy emergency plan says, and what the Vermont State Emergency Response Plan says.

JUDGE WARDWELL: This is Judge Wardwell. You prefaced all of that with a statement, even if you did read it this way, my question to you is how do you read that statement that was quoted to you by Judge Hawkens from the history of the regulation. I believe it was the third paragraph of that.

MR. KISICKI: Sure. I think that you can -- I mean, I don't -- I think that you could read it to

1 say that yes, you want to have effective communication capabilities for the NRC at plants that have operating 2 3 reactors, but I don't think that that precludes the 4 Board to read it more broadly and say or at reactor 5 sites that don't have critical components that are operating. 6 7 Again, the actual exemption language that speaks to ERDS being exempt from being implemented 8 9 talks about facilities, not reactors. The language 10 that you quoted to me I think is a broad policy position relative to a very narrow sort of exemption 11 that speaks to a broader class of facilities, or a 12 more narrow class of facilities that would apply under 13 14 the exemption. 15 JUDGE WARDWELL: Thank you. 16 MR. KISICKI: Thank you. I mean, I think to 17 move on, you know, if you look at the requirements of 50.54(q)(3) --18 19 CHAIR HAWKENS: Mr. Kisicki, Judge Hawkens When the rule was promulgated 20 here aqain. implemented in the early '90s, are you aware how many 21 plants at that time were -- reactors were shut down 22 but they still had spent fuel in spent fuel pools on 23 24 site?

MR. KISICKI: I am not aware of that, Mr.

Chairman.

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CHAIR HAWKENS: All right.

MR. KISICKI: I will say this, is that I think if you look at what's going on in the current environment with recent plant shut downs and ERDS use, from our understanding from the ERDS system itself there's indications that three recent plant closures still either are transmitting ERDS data, and that Onofre where is still would be at San ERDS transmitting on a continuous basis. Likewise, Kewaunee and Crystal River, both of those plants are not transmitting continuously, however, they continue to have ERDS capabilities which I think is telling in the current environment.

if But, again, you look at Section 50.54(q)(3), those requirements and Appendix E, both of them are bound by Section 50.47(b) emergency plan requirements. You know, .54(q)(3) requires that any change of the E Plan meet the Appendix E and 50.47(b) requirement. And the .47(b) addresses the sufficiency of communication and response coordination between the licensee and state and local responders. critical to the 50.47(b) planning and communications requirements, and it's referenced explicitly in the VY emergency plan and Vermont RERP.

T	I mean, in the State's view situational
2	awareness is key to the RERP, things such as wind
3	direction and speed equals realtime data that's
4	critical for protective response on behalf of the
5	State, and for the plant response under the VY
6	emergency plan. And second, coupled with radiation
7	levels of the plants, that information is vital to any
8	sort of coordinated response, particularly in this
9	case where you have three states that are going to be
10	active in any sort of accident response. And, again
11	CHAIR HAWKENS: Mr. Kisicki, I'm wondering
12	if you know the answer to this question. New Hampshire
13	and hearing like you, and do you know what their
14	position is on this matter?
15	MR. KISICKI: We have reached out to both
16	New Hampshire and Massachusetts. We have had no
17	indication that they do not support Vermont's
18	position, but we haven't heard an affirmative answer
19	back from either of them.
20	CHAIR HAWKENS: So, you're not speaking for
21	either of those states.
22	MR. KISICKI: I am certainly not.
23	CHAIR HAWKENS: And neither of them has
24	taken a position on the matter before us.
25	MR. KISICKI: Correct.

1 CHAIR HAWKENS: Now, what alternatives does 2 the State of Vermont have if the ERDS link with it is 3 discontinued? 4 KISICKI: Well, at this point the 5 Vermont State's Emergency Response Agencies, and there are a number of them who work in coordination, are 6 7 trying to examine what those alternatives would be. 8 That's a major driver of why we're submitting the 9 petition to the NRC at this point because the nuclear engineering decommissioning specialist has identified 10 no less than 37 ERDS parameters that are critical for 11 continued operation of the RERP plan. 12 At this point, all of those agencies are 13 14 trying to assess what alternatives, if any, there 15 might possibly be in the absence of ERDS data coming 16 to them. But with that being said, it would be 17 extremely difficult to find an alternative to getting ERDS parameters that our experts 18 those 37 19 determined crucial are to proper response 20 preparedness. CHAIR HAWKENS: What parameters, if any, 21 does the Inform Notification System provide? 22 MR. KISICKI: I'm sorry, could you repeat 23 that? 24 CHAIR HAWKENS: What parameters, if any, 25

does the Inform Notification System provide to Vermont?

MR. KISICKI: Unfortunately, I can't speak to that. I'm not aware of what parameters the Inform System provides Vermont at this point.

CHAIR HAWKENS: All right.

MR. KISICKI: But I think if you look at the requirements of 50.47(b), it speaks to a number of issues, particularly with respect to Subsections 1, 4, 5, 6, 8, and 9, to speak — there's a lot of overlap between those that speak to the critical interplay between the licensee, the NRC, and local and state responses to any sort of accident that may occur at the plant. And here, I mean, the State entered into an MOU back in 1996 with the NRC specifically to gain access to ERDS, and the Vermont Emergency Response Plan has been largely predicated on using data from ERDS in preparing its response.

If you remove ERDS, particularly under this -- in this situation where Entergy has done so without even the slightest bit of analysis as to the impact on plan's effectiveness, both its own plan and for the State plan, it undermines a lot of the 50.47(b) requirements. And, again, that analysis just simply hasn't been done here, and it should be.

You know, I think beyond that the NRC has identified that it has a mandated role to protect public health and safety, and it has to be capable of providing state and local authorities with independent assessments, protective actions recommended by the licensee. You know, in this instance the NRC has the responsibility to determine whether or not the Section 50.54(q)(3) licensee emergency plan changes allow for adequate communication and coordination with state and local authorities as contemplated in 50.47(b) and Appendix E. That simply has not been done.

Second, you know, the 50.54(q)(3) analysis should be conducted here because, again, the Vermont Yankee Emergency Plan and the RERP references ERDS as a means to communicate with the three states. And the NRC has been presented with a representation by the licensee that ERDS has a critical benefit. That's codified in their own emergency plan that they seek to amend right now.

You know, here the NRC's ability to -- you know, this Board's ability to review the sufficiency of the State plans should be very easy because, again, there's a Memorandum of Understanding between the State of Vermont and the NRC that allows for access to ERDS data. And that alone is telling, it shows that

the NRC has recognized that there is significant value of having the State have access to ERDS data.

Again, all -- you know, at the core of our contention, all that we're seeking for is that either (a) that there's a sufficient showing by Entergy that there is no reduction in plan effectiveness with the loss of ERDS, or to provide an equal alternative, if not better alternative to ERDS in the event that ERDS no longer is accessible by the State. I mean, that's critical.

Again, you know, ERDS has such a critical value, this -- you know, the Commission agreed to backfit ERDS into the system because it recognizes there is such a high value to ERDS relative to the cost. Those costs have already been incurred. The cost to continue ERDS use is minimal compared to the benefit that it would serve both VY and the State in the event of an emergency.

And more to the point, ERDS right now is continuously transmitting at the VY plant, because as the case with most, if not all Entergy plants, there needs to be little change in terms of -- with respect to the staffing level reduction. There is no -- almost no change in the responsibility with respect to ERDS in the event of an accident considering that it

already transmits now.

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In summation, we request that there would be an in-depth inquiry, either a Subpart G proceeding because there's still questions as to whether or not the omission, the analysis required by 50.54(q)(3) was intentional or not, or alternatively a Subpart L proceeding where we would just ask for the Board to in its discretion, you know, add limited use of discovery and cross-examination to fill out the record and make a proper determination with respect to the State's contention.

In sum, we think our contention, we've made a pretty strong showing that's been backed by expert opinion. It was attached to our initial petition, and have nuclear expert, we а Leshinskie, who has over 30 years of experience in the industry, and his determination was that the loss of ERDS is significant and detrimental to the State's well being. I mean the finding of this is certainly material to the kinds of findings that the Board is going to have to make with respect to this LAR, and we would ask that the contention be accepted, and that we have a proper proceeding going forward.

CHAIR HAWKENS: More questions? Thank you,
Mr. Kisicki.

1 MR. KISICKI: Thank you. CHAIR HAWKENS: Ms. Raimo, we'll hear from 2 3 you now. 4 MS. RAIMO: Thank you, Your Honor. Entergy appreciates the opportunity to 5 address the Board this afternoon. We know that the 6 7 Board has read our answer of October 20th, so I don't 8 plan to repeat many of the arguments that we already 9 made there, but I do want to respond to some of the 10 statements that the State made in its reply dated October 31st, and also to some of the statements that 11 counsel just made this afternoon. 12 But before I address any of the specific 13 14 topics that the Board had requested that we address, 15 I want to make the record very clear on a critical 16 fact that the State got wrong many times in its reply, 17 and that is, Vermont Yankee does not require any staff to activate, or operate ERDS during an alert or other 18 19 emergency situation. Now, as we stated in our answer, and this 20 is also stated in Section 7.10 of our Emergency Plan, 21 VY maintains a continuous ERDS connection with the 22 NRC. That means that plant data is being transmitted 23

continuously 24 hours a day, seven days a week to the

even during normal plant operations.

NRC

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1 transmitting data to the NRC via ERDS as I speak. If there were to be an emergency event, VY 2 3 would continue to transmit plant data via ERDS without 4 any additional action needed. Again, that's because 5 the system is continuously on and transmitting plant 6 data. 7 CHAIR HAWKENS: That's while the -- that's 8 before the reactor is in permanently shut 9 condition, though. Is that correct? 10 MS. RAIMO: That's correct. That's today and as long as the reactor is operating. 11 12 CHAIR HAWKENS: Okay. MS. RAIMO: That's correct. 13 14 JUDGE WARDWELL: So, what would happen --15 this is Judge Wardwell. What would happen once the reactor is shut down and the fuel is removed to the 16 spent fuel pool, what level of effort is required for 17 you to maintain those parameters that they deem is 18 19 necessary associated with the spent fuel pool and any meteorological data, et cetera, that they discuss? 20 MS. RAIMO: Well, Your Honor, the plant 21 will continue to monitor those conditions. It's two 22 separate aspects, and I'll explain one of them at a 23 24 time. We plan to discontinue transmitting data 25

1	via ERDS to the NRC, the plant that I just mentioned.
2	JUDGE WARDWELL: And why are you doing
3	that?
4	MS. RAIMO: Because, Your Honor, the way
5	that we interpret the regulations, and that's Appendix
6	E, Section 6. The regulations do not require
7	permanently shut down plants to maintain their
8	connection to the NRC via ERDS. And we believe the
9	regulation is very clear on that.
LO	JUDGE WARDWELL: But if someone was to read
L1	it differently than but if it let me rephrase
L2	that.
L3	Does the regulation require you to shut
L4	down ERDS?
L5	MS. RAIMO: No, it does not require us to
L6	shut down ERDS.
L7	JUDGE WARDWELL: Okay. So, if it takes no
L8	effort to keep it going, why are you shutting it down?
L9	MS. RAIMO: Well, Your Honor, I will
20	respectfully disagree that there is no effort for us
21	to continue to maintain ERDS.
22	JUDGE WARDWELL: How much effort is needed
23	to continue that?
24	MS. RAIMO: Well, as I mentioned, the data
25	will continue to be generated, and we will continue to

monitor that data. However, there -- now, ERDS is essentially an information technology infrastructure. And as we discussed in our answer, there is a very complex configuration of systems that is involved in transmitting the data from the plant through the various servers within the Entergy IT structure to the NRC. And there is a significant cost associated with that.

JUDGE WARDWELL: And how much in the ballpark is that cost?

MS. RAIMO: Based on some rough estimates, Your Honor, we estimated that it would cost approximately \$680,000 to maintain all of the IT equipment and support personnel that are required to maintain the system between now and 2020, which is the time that we plan to move all of the fuel to the ISFSI.

JUDGE WARDWELL: Did you see the -- review the cost figures that was in the regulatory history. I believe on page 40183 in the Federal Register it said it would cost about \$153,000 to install the equipment and run the system for 30 years. There seems to be a disparity between this \$153,000 to buy equipment, install it, and then run it for 30 years, and what you're estimating is going to be required to

1	continue the operation of it after the plant shuts
2	down until the fuel is removed from the pool.
3	MS. RAIMO: Your Honor, you know, to be
4	honest, I don't know what went into that \$150,000.
5	That was quite some time ago, and that may have just
6	been for the initial setup cost.
7	JUDGE WARDWELL: Do you have any
8	information that leads you to believe that Entergy
9	protested that number in the past during the
10	rulemaking in '91?
11	MS. RAIMO: Your Honor, I don't have that
12	information. What I can tell you is that there are
13	significant costs that are needed to maintain the
14	equipment that we use to transmit the data to the NRC.
15	JUDGE WARDWELL: What's your current plan
16	for removing the fuel from the spent fuel pool to the
17	ISFSIs?
18	MS. RAIMO: Our current plan is to complete
19	that by 2020, and that's dependent on certain
20	regulatory approvals in the interim.
21	JUDGE WARDWELL: So, about six years after
22	shut down is a fair number we can use here for our
23	general assessment?
24	MS. RAIMO: That's our current planning
25	estimate, Your Honor.

1	JUDGE WARDWELL: And you say it's going to
2	cost so that ends up to be more than \$100,000 a
3	year you're estimating for each year that the fuel is
4	in the pool. Is that correct?
5	MS. RAIMO: Yes, Your Honor, that's
6	correct.
7	CHAIR HAWKENS: Let's go back to your
8	interpretation of the rule, Ms. Raimo. You, I take it,
9	disagree with Mr. Kisicki's interpretation of the term
LO	"permanently shut down" nuclear power facility. Is
L1	that correct?
L2	MS. RAIMO: That's correct, Judge Hawkens.
L3	CHAIR HAWKENS: How would you interpret it,
L4	and why?
L5	MS. RAIMO: We interpret permanently shut
L6	down to mean plants that have docketed the
L7	certifications of permanent cessation of operations
L8	and permanent removal of fuel from the reactor vessel.
L9	As Your Honor has pointed out, the
20	Statement of Considerations that accompanied the
21	Appendix E final rule make it pretty clear that the
22	ERDS rule was intended to apply to operating reactors,
23	and not to nuclear facilities more broadly. We believe
24	that's an unreasonably broad interpretation of that
25	rule.

1	CHAIR HAWKENS: That rule what does that
2	rule do? What's the purpose of that rule?
3	MS. RAIMO: Of Appendix E, Your Honor?
4	CHAIR HAWKENS: Yes.
5	MS. RAIMO: That rule was intended just
6	a second, bear with me.
7	CHAIR HAWKENS: Well, let me just quote to
8	see if you disagree. The third paragraph of the
9	Statement of Consideration says that "The objective of
10	the final rule is to insure timely and effective
11	implementation of the ERDS to provide NRC increased
12	assurance that a reliable and effective communication
13	system that will allow NRC to monitor critical
14	parameters during an emergency is in place at
15	operating power reactors." You remember that?
16	MS. RAIMO: Yes, Your Honor. Thank you.
17	CHAIR HAWKENS: So, it's an implementations
18	rule. Is that a fair assessment?
19	MS. RAIMO: Yes, I would agree with that,
20	Your Honor.
21	CHAIR HAWKENS: It also talks about
22	activation which as you pointed out we don't have to
23	worry about here because you're the way it's set up
24	there it's always activated. Correct?
25	MS. RAIMO: Yes.
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1 CHAIR HAWKENS: I think it also talks about maintenance, doesn't it? 2 3 MS. RAIMO: Yes, it does. 4 CHAIR HAWKENS: Would you point to any 5 place where either the Statement of Considerations or itself talks 6 the rule about termination 7 decommissioning of that system? MS. RAIMO: I don't believe the rule, the 8 9 text of the rule itself does, Your Honor. CHAIR HAWKENS: Nor does the flavor of it. 10 I mean, it is an implementation rule. 11 Correct? MS. RAIMO: It is an implementation rule; 12 however, I would point to some very recent quidance 13 14 t.hat. the NRC Staff issued that suggests 15 interpreting that the exclusion -- excuse me. The exclusion applies to shut down, permanently shut down 16 17 reactors. And does it define CHAIR HAWKENS: 18 19 permanently shut down reactors in that quidance? 20 MS. RAIMO: Yes, it does. And the specific quidance I'm referring to is a June 21 2nd, 2014 memorandum from Robert Lewis, the NRC Director of 22 Division Preparedness and Response. The subject is 23 24 "Emergency Response Data Systems at plants that have permanently ceased operations." And the memorandum 25

1 states very clearly that, and I'm quoting, requirements in Section vi of Appendix E do not apply 2 3 to nuclear power reactor licensees who have submitted 4 a Certificate of Permanent Cessation of Operations." 5 And the memorandum continues, and I'm quoting again, "ERDS requirements are not applicable to facilities 6 7 which have permanently ceased operations." 8 Now, we recognize that this memorandum is 9 guidance and does not have the force of law; however, 10 it's very persuasive quidance that's entitled to due consideration for several reasons. Number one, it was 11 issued very recently, in June 2014. And, number two, 12 it was issued by the Director of the NRC division that 13 14 has responsibility for overseeing emergency 15 preparedness. In other words, these are the Agency's 16 subject matter experts on emergency planning. 17 CHAIR HAWKENS: What does that memo say about the criteria for retiring a system that's 18 19 already operating? MS. RAIMO: I believe the memorandum is 20 intended to speak to licensees who have recently shut 21 down, that they do not need to maintain their systems 22 23 any longer. 24 CHAIR HAWKENS: Is that true with all?

Doesn't it says that permanent shut down facilities

1	has the authority to retire the ERDS without NRC
2	approval only if it is not described in its emergency
3	plan?
4	MS. RAIMO: No, I don't believe that's
5	entirely correct, Your Honor. You're correct that if
6	ERDS is described in the emergency plan, that there
7	are other steps that the licensee has to take.
8	CHAIR HAWKENS: Okay. And has ERDS been
9	described in your emergency plan?
10	MS. RAIMO: It is described as a method of
11	communication with the NRC. It's not
12	CHAIR HAWKENS: Okay. What are those other
13	steps then that need to be taken according to the
14	memo?
15	MS. RAIMO: The licensee needs to prepare
16	an evaluation in accordance with 50.54(q).
17	CHAIR HAWKENS: And have you done that?
18	MS. RAIMO: We are in the process of
19	finalizing an evaluation.
20	CHAIR HAWKENS: Well, as far as when you
21	submitted your license application that hadn't been
22	completed. Is that correct?
23	MS. RAIMO: That's correct, Your Honor. And
24	the reason for that is because our license amendment
25	request is not a request to retire the ERDS system. It

1 really has nothing to do with ERDS at all. Our license amendment request is focused on staffing reductions. 2 It's not a request to retire --3 4 CHAIR HAWKENS: Doesn't staffing reductions 5 hinge on the premise that the ERDS is not functional? MS. RAIMO: No, Your Honor, and that's the 6 7 point I was trying to make earlier, and that the State 8 has gotten this wrong. The State believes that we need 9 staff at VY to activate or operate ERDS during an 10 emergency, and that's their hook, so to speak, bringing their contention within the scope of the 11 proceeding. But as I said, it's factually flawed. 12 Their premise is factually flawed because we don't 13 14 require any staff to activate or operate the ERDS 15 during an emergency. So once you accept that fact, and if you 16 17 look at the State's arguments in that light, you will see that the issue of ERDS really has no place in this 18 19 proceeding at all. 20 Well, ERDS has to CHAIR HAWKENS: maintained, and you've got a budget of over \$600,000 21 for six years, that's \$100,000 a year. I assume that 22 includes some labor cost associated with keeping that 23 24 system running. Is that not correct? 25 MS. RAIMO: There are some IT support

1	costs, yes, but those
2	CHAIR HAWKENS: And if that system is not
3	running, that information won't be available to people
4	to assess that data. Correct?
5	MS. RAIMO: Your Honor, I that's another
6	point I wanted to address. Okay? The idea that if the
7	State does not have access to ERDS, that it would have
8	no information with which to facilitate its decision
9	making during an emergency is not correct. I mean, you
LO	could read the State's reply and you could listen to
L1	the State's presentation today and walk away with the
L2	idea that without ERDS, the State has absolutely no
13	access to VY plant information, and that's just not
L4	true.
L5	CHAIR HAWKENS: Tell I asked Mr. Kisicki
L6	about what parameters Entergy would provide over the
L7	Inform Notification System. Can you tell me what
L8	parameters would be provided?
L9	MS. RAIMO: Your Honor, I don't believe we
20	provide any plant parameters via Inform. I believe
21	that's merely a notification, initial notification
22	tool
23	CHAIR HAWKENS: All right.
24	MS. RAIMO: once an emergency is
25	occurring.
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CHAIR HAWKENS: So, in the event of an emergency if Vermont wanted certain parameters, how would Entergy provide them once the -- there's been a permanent cessation of operation -- of reactor operations and permanent removal of fuel from the reactor?

MS. RAIMO: Yes. Some of these methods are described in our -- in the current emergency plan. And this is at Section 6.1.3. "In the event of an alert or a high emergency classification, Entergy would activate what's called the Emergency Operations Facility/Recovery Center," or I'll call it EOF for short.

The EOF is located in Brattleboro, Vermont about nine miles from the site, and it serves as a facility to coordinate the activities of VY emergency response personnel, to evaluate accident conditions, and to maintain coordination and communications with offsite response authorities.

Entergy provides space and communications capabilities to representatives from the three states, Massachusetts, New Hampshire, and Vermont at the EOF during an emergency. And for Vermont in particular, we provide minimum space for three state representatives there.

1	Now, the same plant data that we transmit
2	to the NRC via ERDS is displayed on monitors located
3	in the EOF. And this data includes the containment
4	parameter data, area radiation monitor data, and
5	meteorological data. These are all the parameters that
6	the State has expressed continued interest in.
7	CHAIR HAWKENS: But there will be three
8	Vermont representatives there
9	MS. RAIMO: Yes, Your Honor.
LO	CHAIR HAWKENS: having access to this
L1	information on a continuous basis?
L2	MS. RAIMO: That's correct. This
L3	information can be viewed in real time by the State
L4	officials who are stationed at the EOF.
L5	CHAIR HAWKENS: And what ability do they
L6	have to communicate that information to other Vermont
L7	representatives that are not at that facility?
L8	MS. RAIMO: We provide communications
L9	capabilities for them by phone, fax, and computer, and
20	email.
21	CHAIR HAWKENS: Are these dedicated phones?
22	In other words, can one or more of those Vermont
23	representatives have continuous access to a dedicated
24	phone to talk continuously to his counterpart that's
25	off site?

1 MS. RAIMO: Yes, Your Honor, we do have 2 dedicated phones for them. 3 JUDGE KENNEDY: This is Judge Kennedy. Is 4 this different than the way the data is communicated during power operations? I mean --5 MS. RAIMO: This is -- Your Honor, this is 6 7 -- what I'm describing now, what I just described now, that's how we would communicate information to the 8 9 State representatives at the EOF during an emergency. 10 If an emergency were to occur today while the plant was operating, this is the process that would occur. 11 12 JUDGE KENNEDY: Are you suggesting that there's no difference in functionality whether the 13 14 ERDS is functioning or not as far as the State of 15 Vermont is concerned? This is Judge Kennedy, again. MS. RAIMO: Your Honor, we believe that the 16 17 State has equal access to the plant data at the EOF as it does at ERDS. And, in actuality, at the EOF we 18 19 provide additional information. We provide information related to the spent fuel pool that we do not provide 20 to the NRC via ERDS. 21 22 JUDGE WARDWELL: Can I ask you one more 23 clarifying question to make sure I've got 24 correct? MS. RAIMO: Yes. 25

JUDGE WARDWELL: You were stating earlier that I believe that none of the labor reductions in your license application are associated with the ERDS termination, at least that's what I gleaned from your statements. Is that what you would state now?

MS. RAIMO: I would, Your Honor. That's correct, Judge Wardwell.

JUDGE WARDWELL: Thank you.

CHAIR HAWKENS: Tell me about the -- this is Judge Hawkens, the Section 50.54(q)(3) analysis that appears to be ongoing. If Vermont wanted to challenge the outcome of that, would they have the opportunity?

MS. RAIMO: Your Honor, I don't believe there is a regulatory basis for them to challenge that outcome. What would happen is, once our evaluation is finalized, and we expect it to show that the modified emergency plan would continue to meet the requirements of Appendix E and 50.47(b), and we would also expect it to show that there would be no reduction in the effectiveness of the emergency plan, so that we would be able to make the revisions to the emergency plan to eliminate ERDS as a communication tool with the NRC once we finalize that evaluation. And we would retain it for

our files.

JUDGE KENNEDY: This is Judge Kennedy. When you talk about the effectiveness of the emergency plan, are you including the effectiveness of the State of Vermont's emergency response plan, as well as Entergy's emergency response plan?

MS. RAIMO: Your Honor, the regulations, and I'm reading from 50.54(q)(1), "Define reduction in effectiveness as a change in an emergency plan that results in reducing the licensee's capability to perform an emergency planning function in the event of a radiological emergency." So, in answer to your question it's just the licensee's emergency plan that we're talking about.

JUDGE KENNEDY: So, when you look at the 50.47(b) requirements that are the emergency planning standards and you say after you make this change using the 50.54(q) analysis, are you only focusing on the Entergy emergency response plan? Isn't that what I just heard?

MS. RAIMO: Yes, Your Honor, we are. But to your point on 50.47(b), you know, we -- our analysis does need to show that we will continue to have prompt communication with the principal emergency response organizations and emergency response personnel, and

also with the public. And the VY emergency plan identifies, as I said, ERDS as a communication tool with the NRC and not with the State or other outside emergency response organizations.

What I mentioned, the communication methods that I mentioned at the EOF and also -- I'm not sure if I got to mention this or not, but VY personnel at the EOF would also be able to communicate plant information data to the State representatives at the Vermont Emergency Operations Center, and that's in Waterbury, Vermont. Those communications can happen by phone, email, and facsimile, as well.

JUDGE KENNEDY: Yes, and I think I'm starting -- this is Judge Kennedy, again. I'm starting to pick up a thread of this effectiveness argument, and I'm not hearing the analysis. It may be offering alternative methods of communication, but I haven't heard any measurement of equal effectiveness between the different approaches post-ERDS, and pre-ERDS. And I'm just interested in understanding if that's part of the evaluation in the analysis.

MS. RAIMO: Your Honor, I think I see what you're having an issue with, because I have not explained that yet.

JUDGE KENNEDY: Okay.

MS. RAIMO: The NRC guidance that I had mentioned before, that's the June 2nd, 2014 memorandum, that -- and I'm going to read from that guidance again. It indicates that, "Providing ERDS data to the NRC is not an emergency planning function. Because a reduction in effectiveness requires a reduction of the licensee's capability to perform an emergency planning function and providing data to the an emergency planning through NRC ERDS is not removing **ERDS** would not reduce the effectiveness of the licensee's capability to perform an emergency planning function. Accordingly, removing ERDS would not reduce the effectiveness of licensee's plan."

So, that is the -- that guidance states that it's the Staff's view that providing ERDS is not an emergency planning function and, therefore, there can be no reduction in effectiveness if you remove that function.

JUDGE KENNEDY: Again this is Judge Kennedy beating the horse. 50.47 to me seems to go broader than just the licensee's emergency plan. And, in fact, it gets into discussions of making sure that there's adequate facilities, and equipment, and on and on to provide an effective emergency response. I've always

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1 viewed that as being inclusive of both the licensee and the state and local response organizations. And 2 3 I'm struggling a little bit here to understand why the 4 effectiveness of the response of the state and local 5 agencies isn't more paramount here. I mean, I hear 6 what you're saying, but I --7 MS. RAIMO: Yes. 8 JUDGE KENNEDY: I keep going back to 50.47, 9 and it seems to me that that's a broader view of 10 emergency response. MS. RAIMO: Well, Your Honor, 50.47(a)(2) 11 references that FEMA does have some responsibility, 12 and actually that FEMA is the lead federal agency with 13 14 responsibility for assessing state and local off site 15 radiological emergency response plans. And it's FEMA's responsibility to make findings and determinations 16 about whether the off site plans are adequate and 17 capable of being implemented. 18 19 CHAIR HAWKENS: Ms. Raimo, Judge Hawkens here. FEMA came in and said Entergy, in our view it's 20 critical for Vermont to have access to ERDS as they 21 currently do for their emergency planning purposes. 22 What would Entergy's response be? 23 24 MS. RAIMO: Your Honor, I'm not sure. I mean, obviously, we would take that guidance under 25

advisement.

CHAIR HAWKENS: I assume that there's an ongoing relationship between Vermont and FEMA, so FEMA will have that opportunity, Vermont will have the opportunity to make that type of argument to FEMA, but we don't have to deal with that today.

MS. RAIMO: Your Honor, I can't speak to what interactions may have with the State of Vermont, but I certainly agree with your point, that we don't have to deal with that today because, again, the issue of ERDS is completely outside the scope of this proceeding.

JUDGE WARDWELL: Well, you use the Lewis memo which again is just guidance to quote, and you quoted saying, "Accordingly, the removal of the ERDS would not reduce the effectiveness of the licensee's plan." I think that's where you ended to the quote. Is that correct, if I remember?

MS. RAIMO: Yes, that's right, Your Honor.

JUDGE WARDWELL: But you failed to go on to the next paragraph that started with a "However, if the licensee's emergency plan relies on ERDS for the provision of assessment data to the emergency response organization, which is an emergency planning function, the licensee will need to evaluate whether removing

ERDS results in reduction in the effectiveness for special circumstances." Isn't that correct?

MS. RAIMO: That's correct, Your Honor. But, again, our emergency plan does not rely on ERDS to provide information to the emergency response organization, or to off site emergency response organizations. And, also, we are --

JUDGE WARDWELL: Isn't that, though, a merits issue that we'd get to if, in fact -- I mean, we can't explore it here with just legal argument. And we'd really have to get into the merits of that discussion if we admitted this contention. Isn't that the time to do this?

MS. RAIMO: I believe that's correct, Your Honor. But, again, you only get to that merit question if you agree that ERDS is within the scope of this license amendment request. And our position, again, is that ERDS is well beyond the scope because, again, our license amendment request only has to do with reducing the number of staff, the number of on-shift staff who are here on duty to deal with emergencies, and the number of emergency response organization staff. And those staff, the staff that are being reduced, have nothing to do with the operation of ERDS. So, again, we're at a loss to see how ERDS is coming into

1 question here. 2 CHAIR HAWKENS: This is Judge Hawkens, Ms. 3 Raimo, again. Can you go back to Part 50, Appendix E, 4 Section 6. In your argument, if I understand it 5 correctly, although you view it as an implementation rule, you view it, as well, as excepting those 6 7 facilities where the reactor is permanently shut down from participating any more, or for maintaining their 8 9 ERDS system. Is that correct? 10 MS. RAIMO: I'm sorry, Your Honor. Could you repeat the question? 11 12 CHAIR HAWKENS: I can't, that was lengthy a question. 13 14 MS. RAIMO: I lost you there. 15 CHAIR HAWKENS: You agreed with George Wardwell that -- Judge Wardwell that Appendix E is an 16 implementation regulation. 17 MS. RAIMO: Yes. 18 19 CHAIR HAWKENS: But it's also, would you identifies and requires 20 agree, it certain participation by certain categories of entities. And 21 those that are required to participate are those that 22 are not permanently shut down, and those that need not 23 24 participate in your view are those that are

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permanently shut down.

MS. RAIMO: That's correct, Your Honor.

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CHAIR HAWKENS: And tell me why your view is that after you have permanently ceased reactor operations and removed the fuel permanently you should be viewed as being in the category of permanently shut down, or within the category of those under the regulation that need not maintain ERDS.

MS. RAIMO: Your Honor, because we view those -- the permanently shut down as those reactors who have submitted their Certifications of Permanent Cessation of Operations and Permanent Defueling. And I have not seen any basis, any regulatory basis for the State's interpretation to include within that category of plants that have moved all of their fuel to the ISFSI pad. I don't see that anywhere in the regulations.

JUDGE WARDWELL: Where in the regulation do you see anything in regards to terminating the ERDS system for an operating plant that did implement it as regulation and now part of this is being transitioning into a shut down? Where this regulation anything in that talks about decommissioning or termination of a system?

MS. RAIMO: Your Honor, I don't see that in the regulation. However, you know, I can only look to

regulatory construction. And if you look at the text of the language itself --

JUDGE WARDWELL: That's where we should start. Take us through it, please.

MS. RAIMO: Sure. And I'll read you the relevant language that I'm reading from, and this is Appendix E, Section (b)(i), Paragraph 2, and I'm quoting: "Except for Big Rock Point and all nuclear power facilities that are shut down permanently or indefinitely, on site hardware shall be provided at each unit by the licensee to interface with the NRC receiving system."

Now, when I read that sentence I look at the word "are." If the NRC's intent had been to apply this exclusion only to those reactors that were permanently shut down as of 1991 when the rule was promulgated, I think the NRC could have made that intent very clear by substituting the word "were" instead of "are." So, instead the regulation would read, "Except for Big Rock Point and all nuclear power facilities that permanently were shut down indefinitely." And then again to make it clear they could have inserted a date, as of a certain date. Because if you look at the remainder of Appendix E, Section vi, the rule does use certain dates by when

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1 licensees need to implement ERDS. JUDGE WARDWELL: So, how are new licensees 2 3 going to meet that requirement if, in fact, this rule 4 applies to all licensees? 5 MS. RAIMO: I'm sorry, I did not understand 6 your question. 7 JUDGE WARDWELL: Well, you brought up these dates that are in Appendix E. Correct? 8 9 MS. RAIMO: Yes, I did. 10 JUDGE WARDWELL: And the corollary to the fact that the -- your argument that they are shut 11 downs means all future ones in addition to those that 12 existed in 1991. Let me ask you a side question right 13 14 now. Could that not just as well mean just those that 15 are shut down at that time? Is there any words in 16 there that say that interpretation is any worse than 17 your interpretation of this? MS. RAIMO: Your Honor, I read the plain 18 19 language of the rule to -- not to mean that it only -the exclusion only applies to reactors that were shut 20 down as of 1991. But in the absence of a clear 21 language in the rule, then I think you need to look at 22 the -- to the quidance, and the most recent, and 23 24 relevant, and on point quidance we have is the June

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2014 memorandum from the NRC.

1 JUDGE WARDWELL: How about take -- let's look at the purpose of the rule as stated in the 2 3 proposed rule and the rule when it was issued in final 4 form. Doesn't that guide our analysis, Ms. Raimo? 5 MS. RAIMO: I believe so, Your Honor. The language that the Board recited earlier makes it clear 6 7 that it applies to operating power reactors, and that 8 the --JUDGE WARDWELL: But there's no indication 9 10 of whether that means those that were existing at the time the rule was promulgated, or whether those 11 include all those in the future, does it? 12 MS. RAIMO: I suppose it doesn't, Judge 13 14 Wardwell, and the best I can say is you have to look 15 at the June 2014 quidance as the NRC's current interpretation and intent of its regulation. 16 JUDGE WARDWELL: If your interpretation was 17 correct that the rule itself would mean all future 18 19 plants that are shut down, we wouldn't we have needed this -- that clarification, would we have, as provided 20 by the Lewis memo of June 2nd, this year? 21 RAIMO: Your Honor, 22 MS. Ι think because the language is not clear as we've been 23 24 discussing for the past several minutes. On the face of it --25

1 JUDGE WARDWELL: If, in fact, they were talking about all future shut down ones, wouldn't you 2 anticipate that there'd be some type of indication of 3 4 how those and when those systems are going to be shut 5 down? There would be something in there about it, wouldn't there? 6 7 MS. RAIMO: Your Honor, I can't speak to 8 how NRC writes its rules, but all I can say is we 9 believe the language of the rule is clear on its face 10 by itself, but if there is any question, answered by the June 2014 memorandum. 11 12 JUDGE WARDWELL: Thank you. CHAIR HAWKENS: Do you have anything to say 13 14 on the timeliness of Vermont's petition, Ms. Raimo, 15 beyond that which would -- that's in your answer? MS. RAIMO: I certainly do, Your Honor. 16 17 I'll just make a couple of quick points because I know the Board does not want to spend a lot of time on 18 19 that. CHAIR HAWKENS: Also, your 30 minutes is 20 up, so we'd like you to wrap it up pretty quickly. 21 MS. RAIMO: Okay, thank you. We believe 22 it's the State's burden to justify whether or not they 23 24 filed their petition timely. And we were engaged in negotiations with the State, we have been throughout 25

1 this process, and we were engaging in good faith. 2 As the State mentioned, at least from the State's perspective I think I heard counsel say that 3 4 they knew as early as September 18th or 19th that 5 those negotiations were not going to be successful enough to preclude the need for filing their petition. 6 7 And they did not comply with the rule. 8 CHAIR HAWKENS: Anything else on 9 timeliness? Do you agree that you did not get hurt by 10 the delay in electronic filing that was given to you at the time it was? 11 MS. RAIMO: Your Honor, as I said, it's the 12 State's burden to justify why the Board should accept 13 14 its late filing. It's not Entergy's burden to show that it was somehow prejudiced by the late filing. And 15 the regulation that -- Section 2.309(c) are pretty 16 clear that the determinative factor is that the State 17 needs to show good cause. Those regulations don't say 18 19 the applicant needing anything about to show prejudice, or the other parties needing to 20 show prejudice before that filing is accepted. 21 CHAIR HAWKENS: Thank you. Do you have 22 anything else, Ms. Raimo? 23 24 MS. RAIMO: Your Honor, in closing I would

just urge the Board to reassess the State's contention

1	in light of the fact that ERDS is not within the scope
2	of this proceeding. This LAR is focused on staffing
3	reductions. We are not it does not request NRC
4	approval to discontinue ERDS. We don't need the NRC's
5	approval for that. We just urge the Board to review
6	the State's contention in that light. Thank you.
7	CHAIR HAWKENS: There's a question. Is it
8	your which is your stronger argument in your view,
9	Ms. Raimo, the fact that it's outside the scope
10	because this license amendment request deals with
11	staffing, or is it the argument that Vermont is making
12	a collateral attack on a regulation?
13	MS. RAIMO: The first one, Your Honor. ERDS
14	is not within the scope of this proceeding.
15	CHAIR HAWKENS: All right, thank you.
16	MS. RAIMO: Thank you.
17	CHAIR HAWKENS: Ms. Mizuno, we'll hear from
18	you now, please.
19	MS. MIZUNO: Yes, Your Honor. I am
20	accompanied today by Jeremy Wachutka, and the two of
21	us have taken various pieces of the six topics. I will
22	take three, and Mr. Wachutka will take the other
23	three.
24	And given the number of matters that have
25	been discussed, I don't know if you want an overall

1 opening but if you do, Mr. Wachutka can provide you with one. 2 3 CHAIR HAWKENS: Why don't we go directly to 4 the meat of the argument? 5 MS. MIZUNO: Yes, sir. What would you like to hear? 6 7 CHAIR HAWKENS: Are you going to start? 8 Let's hear your three points, and then we'll hear from 9 Mr. Wachutka. 10 MS. MIZUNO: Yes, Your Honor. My three points are timeliness, the interaction between 54(q) 11 and Appendix E, and the question regarding interfaces 12 with state and local government. 13 CHAIR HAWKENS: All right. 14 15 MS. MIZUNO: With respect to timeliness, a 16 fair amount has already been said with respect to 17 that, so I only have a couple of points to make. I'd like to support Entergy's argument that the standard 18 19 is good cause, not whether any party has suffered harm. And good cause under 2.309(c). And good cause 20 demonstrated under that provision where 21 information was not available previously, 22 materially different than that available previously, 23

and the filing was timely based on the availability of

that information. That's not been proved here.

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1 CHAIR HAWKENS: Why not 2.309(c)(2)? MS. MIZUNO: (b)(2), I'm sorry. What -- I'm 2 3 sorry, I have to look it up. Can you tell me, sir? 4 CHAIR HAWKENS: It says it deals with the request to change a filing deadline requested before 5 or after the deadline is past based on reasons not 6 7 related to the substance of the filing. 8 MS. MIZUNO: Oh, yes, Your Honor. But no 9 request has been filed. And the fact of Vermont filing late does not itself substitute for a motion under 10 2.309(c)(2). That's our view. 11 There was another argument that was raised 12 and that had to do with the negotiations involving the 13 14 parties, Entergy and the State of Vermont. The NRC 15 Staff thinks it's really, really important for the 16 Judges to realize that the regulatory requirements 17 here for filing are in 2.209(b). They were also restated in the Federal Register Notice, and those are 18 19 regulatory requirements. Those regulatory requirements can't be tolled by parties negotiating, especially 20 they can't be tolled where the NRC -- it's the NRC's 21 own regulatory requirements, and we were not party to 22 any of those negotiations. Those requirements stand. 23

> We'd also like to point out that this is not a case of a pro se litigant where a certain

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1 latitude is -- may be appropriate. CHAIR HAWKENS: Should any latitude 2 accorded to a State acting in its sovereign capacity 3 4 in our federal system? 5 MS. MIZUNO: Your Honor, a pro se litigant that is not represented by counsel is one thing, but 6 7 here you have the State of Vermont represented by its 8 own attorney from the Attorney General's office, and 9 they're not equivalent situations, Your Honor. And 10 while latitude can be granted to a pro se litigant, we do not believe that it's appropriate under these 11 circumstances. No good cause justification has been 12 13 shown. 14 And, in addition, there is a concern on 15 our part as these are our regulations. There's a 16 concern on our part that allowing a filing under these 17 circumstances could be read by future litigants as a waiver of the regulatory requirements that petitioners 18 19 file by electronic -- by the electronic information exchange, and it could be viewed as allowing a waiver 20 of those requirements. 21 CHAIR HAWKENS: All right, thank you. Let's 22 move on then. 23 MS. MIZUNO: Well, I wanted to make one 24

last point. Even if the petition had been filed

properly, the contention is inadmissible. And we gave you a number of reasons. Regardless of the fact that it was procedurally defective, it was substantively defective. It raises issues beyond the scope of the license amendment, beyond the scope of the four corners of the reducing staffing requirements. It challenges a regulation. It is also for that reason outside the scope of this proceeding, and Staff's significant challenges the no hazards consideration determination which is itself an issue that is beyond that which the Board has jurisdiction over.

Can I go on to 50.54(q)(3) and Appendix E?
CHAIR HAWKENS: Please, do.

MS. MIZUNO: All right. Let's talk about Appendix E. Appendix E establishes the minimum requirements for licensee emergency plans. 50.54(q) tells licensees how you go about making changes to those emergency plans. The regulations contemplate two kinds of changes, changes that result in a reduction in effectiveness, and changes that do not.

Changes that result in a reduction in effectiveness are addressed in the regulation at (q)(4). If a licensee wants to make that kind of change, the licensee has to apply for a license

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1 amendment and must obtain NRC's prior approval. If the change is a change that does not result in a reduction 2 3 in effectiveness and the removal of ERDS from the licensee's emergency plan is just that kind of change, 4 5 the licensee may make that change without NRC's prior approval so long as the licensee performs and retains 6 7 the analysis that has been discussed earlier today. 8 CHAIR HAWKENS: Do you receive the results 9 of that analysis? MS. MIZUNO: Pardon me? 10 CHAIR HAWKENS: Do you receive the results 11 of any analysis? 12 MS. MIZUNO: The results of that analysis 13 14 are kept at the site. We do get a written summary 15 within 30 days of the change, but the analysis itself is available at the site for a Resident Inspector or 16 17 material inspections after-the-fact. CHAIR HAWKENS: Is that something that 18 19 State or a member of the public would have access to if they requested to see it? 20 MS. MIZUNO: I'm not sure, Your Honor. I 21 don't know that anyone ever has. Your Honor asked a 22 lot of questions that go to my third point, and this 23 24 regulatory responsibility for evaluating interfaces with state and local governments. And also 25

for reviewing whether state and local emergency plans are adequate and capable of being implemented.

The answer is pretty straightforward. FEMA has responsibility to make findings as to whether state and local government's off site emergency plans adequate and can be implemented. responsible for providing coordination and guidance emergency planning for off site impact radiological emergencies. The NRC has regulatory responsibility for emergency planning for licensees.

Now, FEMA and the NRC entered into a Memorandum of Understanding. It seems we have several of those floating around in this proceeding. The FEMA-NRC Memorandum of Understanding was published at 44 CFR Part 350, Appendix A, and that Memorandum of Understanding sets out the relationship between the two parties.

Pursuant to that Memorandum of Understanding, FEMA communicates its findings to the NRC, and the NRC reviews the FEMA findings as part of its safety evaluation for licensing matters, for licensing matters that determine whether emergency preparedness provides reasonable assurance that adequate protective measures can and will be taken in the event of a radiological emergency.

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1 And in this instance with respect to the 2 license amendment that is on the table and at issue with respect 3 today, to that license amendment 4 regarding a reduction in staffing, the NRC requested 5 FEMA's review and concurrence. And FEMA wrote back, and FEMA said, "A review of the license amendment 6 7 noted that the changes were coordinated with and 8 approved bу the States of Massachusetts, New 9 Hampshire, and Vermont." 10 FEMA Region I reviewed these changes for impact to the state and local organizations, 11 determined that the amendment would not significantly 12 affect the states' plans based on information from the 13 14 affected states. We also would like to point out here that 15 16 the οf Vermont's Division of Emergency 17 Management and Homeland Security under -- sorry, Homeland Security similarly determined, "That the 18 19 impact of the license amendment is minimal to the State's ability to coordinate with plant personnel 20 during an emergency." And that takes of the areas that 21 I had, Your Honor. 22 MR. WACHUTKA: Your Honor, this is Jeremy 23 24 Wachutka. I'm going to continue the argument now. As Ms. Mizuno demonstrated, Vermont's 25

1 hearing request is outside the scope of the license amendment request in this proceeding. 2 3 CHAIR HAWKENS: Mr. Wachutka, could we 4 interrupt you? Judge Kennedy has a question for Ms. 5 Mizuno. MR. WACHUTKA: Sure, Your Honor. 6 7 JUDGE KENNEDY: This is Judge Kennedy. You 8 started talking about Memorandums of Understanding, 9 and you stopped at FEMA and NRC. I'm curious about why 10 the NRC entered a Memorandum of Understanding with the State of Vermont over ERDS? 11 MS. MIZUNO: Yes. Your Honor, that's not 12 unusual. The NRC entered into a number of Memorandums 13 14 of Understanding with a number of states. And the 15 Memorandum of Understanding was published in the 16 Federal Register. 17 Memorandum of Understanding also provides -- first off, I want to make clear that it's 18 19 the -- the ERDS system is a system that runs from the plant to the NRC Operations Center. It does not run 20 straight to the State of Vermont, or any state. In 21 order for states to obtain that kind of data feed, 22 they need to have entered into a Memorandum of 23 24 Understanding with the NRC. And in this case, Vermont

did that, and we've had that MOU in effect for several

decades.

We also wanted to point out that MOU provides that either party can cancel their engagement under this MOU with 30 days notice. So, I think it's important to -- it bolsters our position that this ERDS data feed is a function of the MOU. It is not a function of the license amendment request. If the license amendment request had never been submitted, the NRC could still theoretically have cut the ERDS feed to the State of Vermont because it is our prerogative with 30 days notice under the MOU. It has nothing to do with the reduction in staffing.

MR. WACHUTKA: And, Your Honor, this is Jeremy Wachutka. I'd like to add to that. There seems to be some confusion here where they're thinking that Entergy provides ERDS data to Vermont; however, that is incorrect.

By regulation, Entergy is required to provide an ERDS connection between Vermont Yankee and the NRC only, and Entergy describes this connection in Section 7.10 of the Vermont Yankee Emergency Plan. However, nothing in the Commission's regulations requires, and nothing in the Vermont Yankee emergency plan voluntarily commits Entergy to provide ERDS data to Vermont.

Instead, in the case of an emergency the Vermont Yankee emergency plan states that Vermont Yankee will provide information to Vermont via other means. These means are, one, an email message called the "Inform Notification System". Two, a dedicated phone circuit called the, "Nuclear Alert System," or through commercial phone systems as a backup. And, three, through the Vermont representatives that will be dispatched to the Vermont Yankee Emergency Operations facility.

This is all described, Your Honors, Section 11 of the Vermont emergency plan, and Section 7. And through these channels, Vermont will be given data such as a description of the emergency and any release, the weather conditions, the projected dose rates at various distances from the plant, emergency response actions underway, and the recommended protective actions. So, therefore, Your Honors this isn't about ERDS going to Vermont from Vermont Yankee. There's no requirement for that. There are other provisions in place in the Vermont Yankee and these provisions insure emergency plan, Vermont will receive the information that they need. And this information is comparable to any information that would come from ERDS. So, therefore, Your Honors,

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1 this is outside the scope of really the license proceeding -- license amendment request that we should 2 be discussing here. 3 4 CHAIR HAWKENS: Mr. Wachutka, Mr. Kisicki 5 said that ERDS provide 37 parameters on a realtime constant basis. 6 7 MR. WACHUTKA: Your Honor --8 CHAIR HAWKENS: Will any of those 9 parameters be provided on a realtime constant basis after ERDS is terminated? 10 Your Honor, the 11 MR. WACHUTKA: Staff 12 doesn't know where the number of 37 parameters came from. From what we see, there's -- I mean, most of the 13 14 parameters sent by ERDS are not going to be applicable 15 any more once the reactor is shut down. And those 16 remaining parameters, those will be -- those can 17 easily be transmitted by the Vermont representatives that will be at the emergency operations facility 18 19 verbally through the dedicated phone lines. And this is really -- this really goes 20 back to the whole origination of ERDS. I mean, ERDS is 21 an improvement to the emergency notification system 22 that's in place which is the voice circuits between 23 24 the NRC and the plant. And ERDS is a supplement to the

system, and that's how it's described in the Statement

1	of Considerations. So, really what they're going to
2	get is comparable to what they'd get via ERDS, and
3	there's less parameters than there would be for an
4	operating reactor. And, furthermore, any sort of
5	emergency that would happen in a shut down facility
6	with the fuel only in the spent fuel pool would be
7	much slower moving evolution with less parts to
8	analyze. So, therefore, all this could be transmitted
9	through the Nuclear Alert Phone System and the Vermont
10	representatives on site.
11	So, in addition to that, Your Honor, we
12	discuss that this is outside the scope of the license
13	amendment request which is a reduction in staffing,
14	not a request to remove ERDS. But even if this were a
15	request to eliminate ERDS, the elimination of ERDS
16	after a facility's permanent shut down is already
17	expressly provided for by the Commission's
18	regulations. Therefore, through its hearing request,
19	Vermont is actually
20	JUDGE WARDWELL: Excuse me. This is Judge
21	Wardwell. I assume you mean the Appendix E, the same
22	discussion we had earlier?
23	MR. WACHUTKA: Yes, Your Honor. We read
24	Appendix E

JUDGE WARDWELL: I understand, don't spend

time. I just wanted to verify that's what you're thinking.

MR. WACHUTKA: Yes, Your Honor. So, discussing the interpretation of Appendix E, when you interpret statutes, first of all, you look at the plain ordinary language, the ordinary meaning of the language. In this case, the plain ordinary meaning of the provision is that ERDS does not have to be provided for facilities that are shut down permanently or indefinitely.

And based on a review of the Statement of Considerations for the ERDS rulemaking, the term "shut down permanently or indefinitely" does not appear to be a defined term of art. However, shut down permanently or indefinitely must at least include a nuclear power facility that has submitted to the NRC a certification under oath or affirmation that fuel has been permanently removed from the reactor vessel. This is because at this point in time the facility physically cannot be operated and, thus, must be shut down permanently or indefinitely.

As we discussed in the Statement of Considerations, it does premise the whole thing as at operating facilities. And, furthermore, such a shut down is permanent when you are permanently -- when you

have -- when you're permanently defueled. Such a shut down is "permanent" by Commission rule because according to 10 CFR Section 50.82(a)(2), "Upon docketing of the certification for permanent cessation of operations and permanent removal of fuel from the reactor vessel, the 10 CFR Part 50 license no longer authorizes operation of the reactor or emplacement or retention of fuel into the reactor vessel."

Therefore, Your Honors, physically the reactor can't be operated because the fuel is in the spent fuel pool. And by regulation the reactor can't be operated because the license no longer allows for that any more. And, therefore, the plain language reading supports the reading that the Staff and Entergy have advocated for, and the history of the implementation of this regulation supports that, as well, Your Honor.

If Vermont's interpretation were correct, then there would be no end point at which ERDS has to be removed, so that would just -- that would be nonsensical. In that case --

CHAIR HAWKENS: Mr. Wachutka, may I interrupt for a second? Judge Hawkens. How many reactors have been shut down after installing ERDS hardware, and how many of those that have been shut

1 down has ERDS been discontinued? MR. WACHUTKA: Yes, Your Honor. I can say 2 since 1991 we have Zion, Maine Yankee, Connecticut 3 4 Yankee, Humboldt Bay, LaCrosse and Trojan. All of these facilities have been shut down and there is no 5 longer any ERDS connection between the NRC Operations 6 7 Center and those facilities. 8 CHAIR HAWKENS: How many times has ERDS 9 been -- the shut down of the ERDS been contested by an 10 intervenor? MR. WACHUTKA: To the Staff's knowledge, it 11 never has before, Your Honor. 12 CHAIR HAWKENS: Thank you. 13 14 MR. WACHUTKA: So, in all these instances 15 happened, if Vermont's interpretation it's 16 correct, you'd be able to go down to the 17 Operations Center right now and pull up Zion on the ERDS, but you can't do that. That doesn't make any 18 19 sense, Your Honor. 20 And, furthermore, even more recently, the facilities that have been defueled, such as SONGS, 21 Crystal River, and Kewaunee, they're doing the exact 22 same process. For example, the certifications of 23

permanent fuel removal were submitted for San Onofre

Units 2 and 3 in July and June 2013, and on August

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1 26th, 2014 after that Southern California Edison revised its emergency plan implementing procedures 2 3 without prior NRC approval to remove all references to 4 ERDS. They followed the 50.54(q)(3) process after they 5 submitted the certification of permanent defueling. The same thing was done by Crystal River, 6 7 and the same thing is being done by Kewaunee, Your Honors, so not only is this the NRC's interpretation 8 9 and Entergy's interpretation of the case, all previous 10 plants have interpreted this regulation in the same way. So, not only can Vermont not point to any support 11 for their argument, but also all precedent 12 supporting the NRC Staff position here. 13 14 In conclusion, Your Honor --15 CHAIR HAWKENS: Mr. Wachutka, we've got 16 another question. 17 MR. WACHUTKA: Yes? CHAIR HAWKENS: After Entergy completes its 18 19 50.54(q)(3) analysis, would Vermont have an opportunity to challenge it? 20 MR. WACHUTKA: Your Honor, the Staff sees 21 the 50.54(q)(3) analysis as an analogous to the 50.59 22 process for changing facilities without a license 23 24 amendment. So, therefore, there is no opportunity for a hearing to change your license without a license 25

amendment. An opportunity for a hearing is only triggered by a license amendment, so in this case there have been no 50.54(q)(3) analysis, so it's premature to challenge that now. And in the future when that analysis does happen, Vermont would be welcome to file a 10 CFR Section 2.206 petition for NRC action if they think that we are erroneously not enforcing the regulations against Vermont Yankee, but that's the only way to challenge it under our regulatory framework, Your Honor.

CHAIR HAWKENS: They would not be able to bring a de facto license amendment proceeding, would they?

MR. WACHUTKA: No, Your Honor. A de facto license amendment proceeding requires NRC Staff action, and this is not NRC Staff action.

Furthermore, Your Honor, Vermont makes this 1991 argument trying to interpret the shut down permanently language to only apply as of 1991. It points to no support for this. And more importantly, the traditional of rule and statutory interpretation as stated by the Supreme Court is that statutes are presumed to be prospective, so there's nothing to think that this statute with no language to indicate that just applied in 1991 and didn't apply to all

1 future reactors, as all regulations are normally assumed to do. And this stands in contrast to other 2 3 NRC regulations that are limited in time. In these examples you'll see throughout 4 Part 50, such as in 50.33(k)(2), 50.34(a)(11) said, 5 there are lots of regulations that say as of this 6 7 year, you know, through this year, so the NRC Staff when it writes rules it knows how to limit them in 8 9 time, and does do that. 10 In this case, the NRC purposely did not do that. So, therefore, this should be interpreted in the 11 traditional sense, which is that it's prospective rule 12 that applies in all future situations. 13 14 And as stated before, Your Honor, it would it would be logically nonsensical if 15 16 didn't, or else we would have written this regulation 17 and not had an end point where it doesn't apply any more. So, like I said, I mean, Zion would still have 18 19 to have ERDS, or a plant that's totally torn down which by the letter of the rules still have to have 20 ERDS even though it wouldn't physically be possible. 21 CHAIR HAWKENS: In regards to the shut down 22 then, if it applied to all future shut downs, it also 23 24 applies to all future licensees. Is that correct? MR. WACHUTKA: That's correct, Your Honor. 25

1	CHAIR HAWKENS: Isn't it logically
2	nonsensical that the licensee, a new licensee now is
3	going to have to meet the dates of the deadlines that
4	are presented in Appendix E?
5	MR. WACHUTKA: The deadlines are for
6	individuals that didn't have ERDS before they had a
7	license.
8	CHAIR HAWKENS: That's what the plain
9	language says?
10	MR. WACHUTKA: But in the future, all COL
11	applicants will have ERDS as part of their license.
12	CHAIR HAWKENS: So, you say there are no
13	future licensees that would deal with Appendix E.
14	Appendix E doesn't apply to any future licensee?
15	MR. WACHUTKA: Appendix E applies to all
16	Part 50 licensees, and applies to all Part 52
17	licensees. So, therefore, new plants have to have ERDS
18	and when those new plants permanently shut down they
19	will not be required to have ERDS any further
20	according to Section 6.2.
21	CHAIR HAWKENS: Right. But under your
22	interpretation of how this applies wouldn't it be
23	illogical for them, the new licensees to have to meet
24	those deadlines, and it's impossible for them to do
25	it?

1 MR. WACHUTKA: I mean, no, Your Honor. I think that it would be more illogical to say --2 3 CHAIR HAWKENS: Not impossible for them to 4 do it? 5 MR. WACHUTKA: Your Honor, I think it would be illogical to think that plants have to have ERDS 6 7 throughout perpetuity without an end date. CHAIR HAWKENS: Wachutka, 8 Mr. the 9 proposed rule they talk about the cost impact of the 10 rule estimated to be about \$150,000 for one reactor which represent the incremental work of installing and 11 12 operating the ERDS for 30 years. MR. WACHUTKA: Yes, Your Honor. 13 14 CHAIR HAWKENS: Is that 30 years cut in one 15 direction or the other regarding exempting permanently 16 shut down reactors? MR. WACHUTKA: I think it cuts in favor of 17 the Staff's interpretation, Your Honor, because the 18 19 rule at first was as we were saying how do we apply this to plants that do not have ERDS? So, that is part 20 of that justification. But in the future all plants 21 are required to have ERDS, so there's no backfit to a 22 new plant that is getting say a COL license, or a new 23 24 Part 50 license, because all these regulations already 25 apply to it from the get-go.

MS. MIZUNO: This is Beth Mizuno. I have a I'm not quite sure what question. dates, Wardwell, you find inconsistent with our interpretation. I see a passage in Appendix E that talks about -- it's Subsection B, and it says, "Each licensee shall complete implementation of the ERDS by February 13, 1993, or before initial escalation to full power, whichever comes later." So, it seems to me that there is no incompatible date being used in Appendix E.

JUDGE WARDWELL: Thank you.

MR. WACHUTKA: Therefore, Your Honors, conclusion, Vermont's proposed contention arguing that Vermont. Yankee should maintain ERDS after its permanent shut down is squarely a challenge to the Commission's regulations and not Entergy's license amendment request. Therefore, it is both outside the scope of this license amendment proceeding, and it's a collateral attack on the regulations without any sort of petition for a waiver of those regulations and should be denied, Your Honors.

CHAIR HAWKENS: Mr. Wachutka, in your view which is the stronger argument, being a collateral attack on the regulation, or it being outside the scope?

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1 MR. WACHUTKA: Your Honor, I think they're alternative arguments that are both equally a strong 2 3 bases for the inadmissibility of the contention. 4 CHAIR HAWKENS: All right, thank you. 5 MR. WACHUTKA: Thank you. CHAIR HAWKENS: Mr. Kisicki, we'll hear 6 7 from you now, any rebuttal? 8 MR. KISICKI: Yes, thank you. I think what the State needs to make 9 10 crystal clear to the Board at this moment is that what we're talking about is the protection of public health 11 and safety. That is central to what the NRC does, and 12 the reason why we're speaking today. 13 14 And the contention, the core contention of the State of Vermont is that the elimination of ERDS, 15 16 which is explicit in a license amendment request is --- significantly implicates whether or not the State 17 can effectively protect the health and safety of its 18 19 own citizens. That is uncontested, it's unrefuted throughout this oral argument. I think that that 20 serves as a telling and meaningful backdrop to what 21 we've been discussing today. 22 CHAIR HAWKENS: Mr. Kisicki, you argument, 23 24 though, hinges on the Board accepting your view of

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Appendix E. Is that correct?

 $$\operatorname{MR}.$ KISICKI: Appendix E in terms of the exception?

CHAIR HAWKENS: Yes.

MR. KISICKI: I don't know that it hinges entirely on it. Again, I think to go back -- at its core, you know, when the NRC was discussing the implementation of ERDS, and this is from the ERDS discussion on August 13th, 1991, the citation is Volume 56 of the Federal Register 40178.

"The NRC in its mandated role to protect public health and safety has the responsibility in the event of an accident to monitor the actions of the licensee that has the primary responsibility for limiting the consequences of the accident," -- I'm sorry, this refers to reactor accidents. I don't want to leave that out.

"The NRC also has an important role in assuring a flow of accurate information to affected on-site officials and the public regarding the status of the emergency, and as requested or needed giving advisory support or assistance in diagnosing the situation, isolating critical problems, and determining what remedial actions are appropriate. The NRC must be capable of providing to the state and local authorities and to other federal agencies an

independent assessment of protective actions
recommended by the licensee."

That is strong language from the NRC in the rationalization of why it should adopt ERDS. And I think it militates towards accepting the State's interpretation of Subsection E. I think even if you reject it, there is a clear policy argument that I would raise, the regulatory argument here. Public health and safety is critical, and the hook here is Entergy indicates that somehow there's a reduction in employees that's needed. No, in the license amendment request in Appendix -- in Attachment 4, this is page 8 of the attachment, it says clearly, "The VY Emergency Response Data System linked to the NRC will not be operational in a permanently shut down or defueled condition. The task of ERDS activation is, therefore, not included on this on shift requiring evaluation as part of its testing analysis." That is a critical component to the LAR. And the hook is not the staffing reduction. It is clear on the face of the LAR itself that ERDS will be eliminated, and that's the hook.

Now, the discussion between the convoluted connection between Vermont Yankee to the NRC, and NRC to the state is immaterial because in the end both the

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Vermont Yankee Emergency plan reference the ERDS system as playing a vital role, and the Vermont State Emergency Response Plan talks about ERDS. Again, our expert has identified 37 parameters under which ERDS is critical here.

Now, I think it also should be mentioned that much of the discussion that Entergy and the NRC Staff had with the Board Members here today go to the merits of the argument. At this point at the contention phase we don't need to discuss the merits here. At this point we have a factual basis supported by expert testimony that there a sufficient reason to hold a hearing. We can discuss whether or not there's effective data responses at the EOF, you know, comparable to the ERDS data that's available now.

But here's the problem with all of this. Entergy has conceded after that that there's already an ERDS -- an ERDS system will not be shut off, it just won't go to the NRC any more. And somehow Entergy is arguing that it will cost them almost \$700,000 over the next six years to maintain a connection with the NRC. That alone is probably enough of a basis to at least hold an evidentiary hearing to determine whether or not that's the case, and to see whether or not it's economically feasible to continue ERDS. If ERDS is not

going away and the data is still going to be collected, I don't see what the burden here on Entergy's part is to continue having ERDS access to the NRC, and then have State access to it.

Alternatively, if they want to go ahead and discontinue access -- ERDS access by the NRC, which again would be in violation of the clear policy rationale expressed in 1991 that I read earlier, that the NRC has an obligation to look at this data, that important to them, but there can alternative that could be fashioned between the State and the plant being alternative. But right now none of analysis exists show that to the elimination of this somehow conforms to the requirements of 50.54(q).

I would also note, you know, Entergy relies on what I'll term the Lewis Memorandum as an argument for why their arguments should hold the day. However, the Lewis Memorandum, you know, (a) I think incorrectly interprets the exception language in Appendix E. But even in the case that the Board assumes that the Lewis Memorandum interprets that language correctly, if that's the case, the Lewis Memorandum militates heavily towards the State's interpretation here.

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It says on page 2 very clearly, "However, if the licensee's emergency plan relies upon ERDS for the provision of assessment data to the emergency response organization and with the states" -- that's me inserting my own words there -- "which is emergency planning function, the licensee will need to evaluate whether removing ERDS results in a reduction in effectiveness during special circumstances. either case, the licensee of a permanently shut down facility seeking to remove ERDS is required Paragraph 50.54(q)(3)to perform and retain an analysis that concludes that the removal of ERDS is

not a reduction in effectiveness."

A simple cross-reference to this note does not satisfy that requirement. Here it seems that the NRC Staff is arguing that it has already seen that analysis and has already made the determination that there's not a reduction in effectiveness. If that's the case, the NRC Staff is now arguing that it has the ability to look at analysis as it sees fit and make determinations as to whether or not there's effective — make an effectiveness determination with respect to a license amendment request.

That absolutely underscores whey we need to have a hearing here so that the State can put its

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1 case on before the Board. To think of it to say that the NRC Staff has the ability to make determinations 2 unilaterally I think is inappropriate. 3 4 CHAIR HAWKENS: Mr. Kisicki, this is Judge 5 Hawkens. Aren't you confusing the 50.54(q)(3) analysis with the license amendment request? 6 They're two 7 different functions. One provides an opportunity for 8 a hearing to the public, the other does not. 9 MR. KISICKI: With respect to the -- I'm 10 sorry, could you repeat the question? CHAIR HAWKENS: You were saying that the --11 and I'm not sure, I want to hear back from Mr. 12 Wachutka again, but I don't recall him saying that 13 14 Staff had already reviewed the analysis performed by 15 Entergy. It's 50.54(q)(3), but putting that side, are 16 you stating it's your belief that Entergy has to give 17 the public an opportunity for a hearing when it performs its 50.54(q)(3) analysis? 18 19 MR. KISICKI: No, I'm not arguing that it's obligated to put it for a public hearing, though I 20 think in this case that the State of Vermont has 21 satisfied 22 the requirements for contention admissibility that we have a unique issue with respect 23 24 to the 50.54 analysis in so far that it hasn't been

conducted yet. And we had the no showing by Entergy in

its license amendment request that there'll be a reduction in emergency plan capability. And that's the issue that the State is requesting a hearing to debate these things, to debate whether or not -- you know, hold an evidentiary hearing to determine whether or not, in fact, it's going to cost \$700,000 to continue ERDS maintenance at the plant for the next six years, you know, whether or not it's feasible. It's issues like that that we need to be able to discuss thoroughly, particularly in light of the fact that so far Entergy has not provided any analysis with respect to 50.54(q)(3) ERDS elimination at the plant.

You know, I think in summation the State has engaged and continues to engage in negotiations here with Entergy. And I looked at my notes while the other parties were arguing, from notes it indicates that -- and I correct myself, that the State was not necessarily aware of the fact that we weren't going to reach a settlement through negotiations until the weekend leading up to the Monday deadline. It simply was not enough time for us to file, you know, in a form the Commission deems that it prefers.

Again, a lot of this discussion here is —- goes to the merits which we are happy to discuss.

But at this point, you know, all we know is that the

State Emergency Response Plan and the VY Emergency Response plans specifically to ERDS. Any discussion about there being comparable information services through the EOF, through phones is not material to the discussion that we're having here today. That should be, you know -- and, again, there's no evidence in the record that indicates that that's the case.

Right now what's in the record is that both the State plan and the VY emergency plan call for ERDS access. That alone is enough, I think, to warrant further hearing, and respectfully request that the Commission grant that request for a hearing.

JUDGE KENNEDY: Mr. Kisicki, this is Judge Kennedy. I just want to clarify, maybe you can help me understand. I thought I heard the NRC Staff indicate that both the State of Vermont, the State of Massachusetts, and the State of New Hampshire approved the change in staffing.

MR. KISICKI: I'm very glad that you asked that question. My understanding is that is not the case at all, that FEMA's representation -- first off, that's a new argument that's nowhere in the NRC Staff's pleadings to begin with. I think that it's outside the scope of what we should be discussing now. But more to the point, it's the State of Vermont's

1	understanding that the State of Vermont actually did
2	not approve did not indicate to FEMA that it
3	approved the staffing reduction. In fact, in said it
4	needed more information before it could make a
5	determination as to whether the staffing reductions
6	were acceptable to the Vermont agencies for the
7	liaison with FEMA.
8	JUDGE KENNEDY: Just one other
9	clarification, has the State of Vermont received any
10	indication of termination of the Memorandum of
11	Understanding with the NRC?
12	MR. KISICKI: Not that I'm aware of.
13	JUDGE KENNEDY: Thank you.
14	CHAIR HAWKENS: Do you have anything else,
15	Mr. Kisicki?
16	MR. KISICKI: I do not. Thank you for your
17	time.
18	CHAIR HAWKENS: This is Judge Hawkens. Mr.
19	Wachutka, I have a couple of questions for you,
20	please.
21	MR. WACHUTKA: Yes, Your Honor.
22	CHAIR HAWKENS: Can you respond to Mr.
23	Kisicki's understanding that neither FEMA nor the
24	States have approved the staff reduction proposal?
25	MR. WACHUTKA: Your Honor, I'd let Ms.

1 Mizuno speak to that. 2 CHAIR HAWKENS: Okay. MS. MIZUNO: Your Honor, I don't understand 3 4 where Mr. Kisicki is coming from, because I am looking 5 at FEMA's comments on the license amendment request. We asked for their findings. They sent findings in. 6 7 CHAIR HAWKENS: And was that in 8 pleadings, Ms. Mizuno? 9 MS. MIZUNO: No, sir, it was not, but you 10 asked about it and so I answered. CHAIR HAWKENS: No, I appreciate that. 11 12 MS. MIZUNO: Your Honor, the -respect to a lot of these emergency planning documents 13 14 they are by default classified as non-public. I have 15 an ML number for it, but it is a non-public ML number. When there is a need for emergency planning documents 16 such as this to be made available, they can be, but 17 it's a default classification because we have so many 18 19 coming in all at once. That is my understanding. So, if the Judges and the parties would like a copy of the 20 document, please so instruct Staff and we will provide 21 you one. The Staff can review and make the document 22 public in an expeditious fashion, Your Honor. 23 24 CHAIR HAWKENS: All right, thank you. Well, if either of the parties would like that, I'll let 25

1 them work that out with you, Ms. Mizuno. MS. MIZUNO: Yes, sir. 2 Mr. 3 CHAIR HAWKENS: Wachutka, another 4 question for you. Can you specify the number of 5 reactors that have permanently shut down since '93, and then the number that have discontinued maintenance 6 7 of ERDS? 8 MR. WACHUTKA: Yes, Your Honor. If you can 9 give me one second, I can look it up. CHAIR HAWKENS: Sure. 10 MR. WACHUTKA: Your Honor, we count that 11 there's been 10 since 1991, and one in 1991, so 11 12 including that one. And there's no ERDS connection 13 14 between any of these plants. And currently we have 15 Kewaunee, and Crystal River which as SONGS, discussed are undergoing decommissioning. All of those 16 are defueled and all of those plants have changed 17 their emergency plan without prior NRC approval to 18 19 remove all references to ERDS. CHAIR HAWKENS: Thank you. And I have one 20 final question, and then my colleagues may have some. 21 But when the rule was promulgated it excepted Big Rock 22 Point and all nuclear power facilities that are shut 23 24 down permanently. Were any of the facilities that were

shut down permanently, did they have spent fuel in the

1	pools, and were not required to implement ERDS?
2	MR. WACHUTKA: Yes, Your Honor, we can look
3	that up and get you a response.
4	CHAIR HAWKENS: I'd be grateful for that.
5	MR. WACHUTKA: Your Honor, you want to know
6	plants that were shut down permanently as of 1991, and
7	if there was any fuel in the pools.
8	CHAIR HAWKENS: Correct.
9	MR. WACHUTKA: Okay, Your Honor, we will
10	look that up and we will notify all the parties.
11	CHAIR HAWKENS: All right. This is Judge
12	Hawkens. I thank everybody for their participation.
13	It's helped us out immensely, and your case is
14	submitted. We're adjourned.
15	If you'd stay on the line so Brandon can
16	follow-up with any questions he may have regarding
17	transcript needs, I'd be grateful. Thank you.
18	COURT REPORTER: I actually don't have any
19	questions.
20	CHAIR HAWKENS: Good, then we're
21	terminated, we're adjourned. Thank you.
22	MR. KISICKI: Thank you.
23	MS. RAIMO: Thank you.
24	(Whereupon, the above-entitled matter went
25	off the record at 5:05 p.m.)